

**REACHING NEW HEIGHTS**

# *Cycles*

For Retired Members of Utah Retirement Systems | Summer 2015 | Volume 33, No. 2



**THINKING ABOUT ROLLING YOUR URS 401K, 457, OR IRA TO ANOTHER PLAN? ASK YOURSELF THESE QUESTIONS FIRST » PAGE 3**

# The Inflation Quencher

**To help keep pace  
with the cost of  
living, COLA is it!**

Get a taste of how your  
annual URS cost-of-living  
adjustment works » **Page 2**



## Remember When...

**1930s »** This environmentalist became famous for his black-and-white landscape photos.

**1940s »** This 1948 invention got its name from the French words *velour* (velvet) and *crochet* (hook).

**1950s »** William Golding releases his first novel in 1954, about British boys on an uninhabited island.

**1960s »** The Beatles kick off their 1965 world tour with their first concert in this New York baseball stadium.

**1970s »** A 1970 plane crash tragically claimed this university's entire football team.

**1980s »** Millions looked to the sky in 1986 to catch the first glimpse of this outer space phenomenon in 76 years.

1980s: Halley's comet  
1960s: Shea Stadium | 1970s: Marshall  
1940s: Velcro | 1950s: Lord of the Flies  
1930s: Ansel Adams

## Create a myURS Account Today

- » View pension payment information
- » Manage savings plans
- » Get pension and savings plans statements
- » See and change your beneficiaries
- » View tax documents
- » **Create your account at [www.urs.org](http://www.urs.org)**

## Defined Benefit Pension

# COLA: You're Getting a Raise

Thanks to your URS pension's cost-of-living adjustment (COLA), your monthly benefit check may increase each year to help keep pace with inflation.

It's an outstanding advantage of having a URS pension. Not all defined benefit plans have a COLA, and those that do are often calculated less generously than yours.

URS bases its COLA on the Consumer Price Index. We calculate COLA based on the average monthly change in the CPI. Another common way to calculate CPI is in change from the current to the previous year. This calculation is often reported in the news and has historically been lower than ours, as the chart above shows.

Your COLA gives you some protection from rising prices, but you still need to account for inflation when you plan your finances.

Year	Year-to-Year CPI	Average Monthly CPI (what URS uses)
2011	3.0%	3.2%
2012	1.7%	2.1%
2013	1.5%	1.5%
2014	0.8%	1.6%
<b>Total</b>	7%	8.4%

Your URS COLA is limited to 4% each year (2.5% for some Public Safety retirees), and your other sources of retirement income may not increase with inflation.

Your COLA goes into effect on the anniversary of your retirement date.

You're eligible after your first year. We calculate the yearly COLA toward the end of January. Find the yearly COLA at [www.urs.org](http://www.urs.org). Go to the "Retired Members" section, click "Pension Plans" from the menu at left, and find "COLA" from the menu below. ■



## Retirement Savings Plans

# Ask Before You Roll

Thinking about rolling your URS 401k, 457, or IRA to another plan? Ask yourself these questions first.

URS never requires you to withdraw or roll your funds out to another company (unless you have less than \$1,000 in your account and aren't working for a URS employer).

But we occasionally hear from participants interested in doing so because of things they've heard about other plans or IRAs. They describe all sorts of bells and whistles, such as great rate guarantees or, "features you can't get from the State."

These plans may sound enticing. And while many financial advisors and products are useful, we want you to understand your options and make wise decisions to protect your assets and support your retirement savings goals.

With that in mind, here are a few questions you should ask yourself before transferring your funds from URS.

### **Does the new plan sound too good to be true?**

Do the features and benefits of the new plan sound realistic? Are the quoted rates of return much higher

### **Do Your Homework**

» A helpful resource when looking into other investment firms and independent advisors is the Utah Division of Securities (<http://securities.utah.gov/>).

» URS is always here to answer your questions. Call us at **801-366-7720** or **1-800-688-401k**.



than going rates? If they sound too good to be true ... they may be.

### **Do I really understand the fine print?**

Often these products are extremely complicated with prospectuses hundreds of pages long. You may hear terms like Guaranteed Income Riders, Guaranteed Death Benefit Riders, bonus

rates, mortality expenses, and indexed annuities. If you don't understand, get educated. You're always welcome to contact our URS customer service counselors.

### **What's the new plan going to cost me?**

Costs may be difficult to determine. In addition to investment fees, you may also be charged mortality expenses, sales charges, rider charges, back-end loads, and surrender charges. Together, they can have a significant and detrimental effect on your money. For comparison, URS fees are available at [www.urs.org](http://www.urs.org) under "Rates of Return and Fees."

### **Do I prefer local customer service?**

One of the great benefits of URS: If you have questions about your account, you can speak to counselors on the phone or face-to-face, right here in Utah. We also have advisors who travel throughout the state.

Do your own research, seek counsel, and if you do roll your funds out of URS — and later change your mind — you can always roll the funds back to URS. ■



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# Join URS for a Free Retiree Seminar

URS now conducts free retiree seminars. The seminar earlier this year in Salt Lake City was a great success. Our next will be Nov. 12 in the St. George area. Come learn about:

**Pension** » Cost-of-living increases, post-retirement employment, and managing your personal information.

**401(k), 457, and IRAs** » Managing your money in retirement, withdrawal strategies, and required minimum distributions.

**Aging well** » Medicare and supplemental options, volunteer opportunities, and social connections.

**Elder protection** » Investor

**Where** » Washington City Community Center, 350 Community Center Drive, Washington, Utah

**When** » Nov. 12, 8:30 a.m. - 1 p.m.

**Who** » URS retired members and spouses.

**To Register** » log into your myURS account and click the "Education" tab.

fraud, identity theft, and guaranteed investment products.

A representative from the Social Security Administration will be available to answer questions. ■



Have you seen this edition of *Cycles*?

Go to [www.urs.org](http://www.urs.org) to see the electronic-only, Spring 2015 edition of *Cycles*.

Don't miss out on future editions. Give us your email address at myURS at [www.urs.org](http://www.urs.org) and we'll email you upcoming issues as soon as they're available. ■